

*NATIONAL GRID'S
SUGGESTED CHANGES TO THE DEFINITION OF ENERGY AFFILIATE
Docket RM01-10-000
May 20, 2002*

Proposed regulatory text: The proposed revisions to section 358.3(d) would read as follows:

(d)(i) Energy Affiliate means an affiliate of a transmission provider that (1) engages in or is involved in transmission transactions in U.S. energy or transmission markets; or (2) manages or controls transmission capacity of a transmission provider in U.S. energy or transmission markets; or (3) buys, sells, trades or administers natural gas or electric energy in U.S. energy or transmission markets; or (4) engages in financial transactions relating to the sale or transmission of natural gas or electric energy in U.S. energy or transmission markets.

(ii) The definition of energy affiliate excludes (1) other affiliated regulated transmission and distribution service providers, but does not exclude their wholesale and/or retail merchant functions; ~~and~~ (2) holding or service companies that do not directly engage in ~~or are involved in transmission transactions in~~ U.S. energy markets; and (3) any other affiliate, or function thereof, of a transmission provider to the extent the Commission determines that the affiliate's interaction with the transmission provider does not to affect adversely the U.S. energy markets.